THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Asian Development Bank is coordinating with the States and Central Government where they are requested to provide support through Government of India, Ministry of Finance. At present 18 on-going projects are being implemented with ADB assistance. Out o^ these 2 are for Livelihood, 5 are for Municipal Infrastructure, 2 are for Rural Development and 9 are for Transport sector. The projects are at various stages of implementation and Capacity development is a cross-cutting theme across projects.

Guidelines to Increase bank loans for priority sector

†599. SHRI RAJ MOHINDER SINGH MAJITHA:
DR. MURLI MANOHAR JOSHI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that new guidelines have been issued for increasing the quantum of bank loans for priority sector;

(b) if so, the details of those guidelines; and

(c) the estimated increase in the quantum of loans in priority sector as a result of these guidelines?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) The Reserve Bank of India (RBI) has reported that it has not issued any revised guidelines on lending to priority sector. However, consequent upon the announcement made in the RBI's Annual Policy Statement for the year 2005-06, an Internal Working Group was set up in the RBI to examine the need for continuance of priority sector lending prescriptions, review the existing policy on priority sector lending, including the segments constituting the priority sector, targets and sub-targets, etc. and to recommend changes, if any, required in this regard. The draft Technical Paper submitted by the Group was placed on the RBI's website on September 30,2005 for wider dissemination and comments. Based on the feedback received from the banks, financial institutions & other concerned institutions/agencies, the RBI has formulated revised draft guidelines on lending to priority sector and placed it on its website on November 8,2006 for inviting further comments.

†Original notice of the question was received in Hindi.

Government has also recently finalized a new "Prime Minister's 15-Point Programme for the Welfare of Minorities". One of the objectives of the Programme is to ensure that an appropriate percentage of the credit is targeted for the minority communities. The RBI has accordingly advised all Scheduled Commercial Banks and the Urban Co-operative Banks(UCBs) to issue necessary instructions to their brance offices to ensure that within the overall target for priority sector lending and the sub-target for weaker sections, sufficient care is taken to ensure that the minority communities also receive an equitable portion of the credit.

(c) Does not arise.

Increase in Wholesale Price Index

†600. DR. MURLI MANOHAR JOSHI:
SHRI RAVI SHANKAR PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there has been the tendency of increase in the wholesale price index ever since June- July, 2006 in the country;

(b) if so, Government's reaction thereto;

(c) whether it is also a fact that Government have also taken a number of steps to contain this increase; and *9*

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Sir, there has been a general rise in the trend of WPI based inflation since July, 2006.

(b) Government is aware of the situation and has taken various measures to keep inflation under check.

(c) and (d) The recent measures taken by Government in this regard include strict fiscal and monetary discipline, lowering of duties, effective management of supply and demand of essential commodities through import, strengthening of the public distribution system and curbing of export in certain commodities.

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†Original notice of the question was received in Hindi.